

**Question 1**

**Do you agree with our proposal to introduce a code provision ("CP") requiring an issuer's board to set culture in alignment with issuer's purpose, value and strategy?**

Yes

**Please give reasons for your views.**

No comment.

**Question 2a**

**Do you agree with our proposal to introduce a CP requiring establishment of an anti-corruption policy?**

Yes

**Please give reasons for your views.**

No comment.

**Question 2b**

**Do you agree with our proposal to upgrade a Recommended Best Practice ("RBP") to CP requiring establishment of a whistleblowing policy?**

Yes

**Please give reasons for your views.**

No comment

**Question 3**

**Do you agree with our proposal to introduce a CP requiring disclosure of a policy to ensure independent views and input are available to the board, and an annual review of the implementation and effectiveness of such policy?**

Yes

**Please give reasons for your views.**

Ensuring that the boards receive independent input is paramount, especially independent views should

be from INEDs. We support great INED roles and participation. For any company with a controlling shareholder, the board should have a majority of independent directors.

#### **Question 4a**

**Do you agree with our proposal regarding re-election of an independent non-executive director serving more than nine years ("Long Serving INEDs") to revise an existing CP to require (i) independent shareholders' approval; and (ii) additional disclosure on the factors considered, the process and the board or nomination committee's discussion in arriving at the determination in the explanation on why such Long Serving INED is still independent and should be re-elected?**

Yes

**Please give reasons for your views.**

True INED independence should be reviewed regularly. Introducing a time limit to the INED mandate would help maintain that independence over time.

#### **Question 4b**

**Do you agree with our proposal to introduce a CP requiring an issuer to appoint a new independent non-executive director ("INED") at the forthcoming annual general meeting where all the INEDs on the board are Long Serving INEDs, and disclosing the length of tenure of the Long Serving INEDs on the board on a named basis in the shareholders' circular?**

Yes

**Please give reasons for your views.**

INED independence is questioned when all INEDs are long serving directors. INEDs number and renewal ensure true independence.

#### **Question 5**

**Do you agree with our proposal to introduce a new RBP that an issuer generally should not grant equity-based remuneration (e.g. share options or grants) with performance-related elements to INEDs as this may lead to bias in their decision-making and compromise their objectivity and independence?**

Yes

**Please give reasons for your views.**

No comment

### **Question 6a**

**Do you agree with our proposal to highlight that diversity is not considered to be achieved by a single gender board in the note of the Rule?**

Yes

**Please give reasons for your views.**

We believe gender diversity on boards encourages better leadership, better corporate governance, and ultimately increases corporate performance and global competitiveness for both companies and their shareholders. While research continues to point to benefits of improving diversity on boards and in senior management, Hong Kong has continued to lag behind other major financial centers as well as financial centers in the region. The Hong Kong Board Diversity Investors Initiative aims to engage with Hong Kong's listed companies and encourage them to commit to better gender diversity at all levels of their organizations, starting with the Board of Directors. We support the total end of single-gender boards by 2022, and the 30% Club target of 25% female representation by 2025.

We also support other diversity as well. Diversity of age and nationality would also help boards make better decisions.

### **Question 6b**

**Do you agree with our proposal to introduce a Mandatory Disclosure Requirement ("MDR") requiring all listed issuers to set and disclose numerical targets and timelines for achieving gender diversity at both: (a) board level; and (b) across the workforce (including senior management)?**

Yes

**Please give reasons for your views.**

We want to change the status quo in Hong Kong. The HSI percentage of women on boards has remained at around 13.7% since January 2018, while other countries, especially in Asia, have made significant progress on improving board diversity over that period. So we urge the Hong Kong exchange to set ambitious numerical targets and timelines for achieving gender diversity at both: (a) board level; and (b) across the workforce (including senior management).

### **Question 6c**

**Do you agree with our proposal to introduce a CP requiring the board to review the implementation and effectiveness of its board diversity policy annually?**

Yes

**Please give reasons for your views.**

Board diversity as well as diversity across the workforce (including senior management) should be an item on the agenda of the board meetings and formally reviewed at least annually.

**Question 6d**

**Do you agree with our proposal to amend the relevant forms to include directors' gender information?**

Yes

**Please give reasons for your views.**

More data on diversity should be made publicly available to allow investors and stakeholders to monitor and track progress of investee companies. This information should include: director gender, the percentage of female directors on boards of Hong Kong listed companies, the percentage of female directors of IPO candidates, the percentage of female director nominations.

Overboarding is also an issue and should be fully disclosed as well as limited at an up limit (perhaps at four (4) public board seats?)

**Question 7**

**Do you agree with our proposal to upgrade a CP to Rule requiring issuers to establish a nomination committee chaired by an INED and comprising a majority of INEDs?**

Yes

**Please give reasons for your views.**

No comment

**Question 8**

**Do you agree with our proposal to upgrade a CP to a MDR to require disclosure of the issuer's shareholders communication policy (which includes channels for shareholders to communicate their views on various matters affecting issuers, as well as steps taken to solicit and understand the views of shareholders and stakeholders) and annual review of such policy to ensure its effectiveness?**

Yes

**Please give reasons for your views.**

No comment

**Question 9**

**Do you agree with our proposal to introduce a Rule requiring disclosure of directors' attendance in the poll results announcements?**

Yes

**Please give reasons for your views.**

**Question 10**

**Do you agree with our proposal to delete the CP that requires issuers to appoint non-executive directors for a specific term?**

Yes

**Please give reasons for your views.**

**Question 11**

**Do you agree with our proposal to elaborate the linkage in the Code by (a) setting out the relationship between corporate governance and environmental, social and governance ("ESG") in the introductory section; and (b) including ESG risks in the context of risk management under the Code?**

Yes

**Please give reasons for your views.**

**Question 12**

**Do you agree with our proposal to amend the Rules and the ESG Guide to require publication of ESG reports at the same time as publication of annual reports?**

Yes

**Please give reasons for your views.**

### **Question 13**

**Do you have any comments on how the re-arranged Code is drafted in the form set out in Appendices III and IV to the Consultation Paper and whether it will give rise to any ambiguities or unintended consequences?**

No

**Please give reasons for your views.**

No comment

### **Question 14**

**In addition to the topics mentioned in the Consultation Paper, do you have any comments regarding what to be included in the new guidance letter on corporate governance (i.e. CG GL) which may be helpful to issuers for achieving the Principles set out in the Code?**

Yes

**Please give reasons for your views.**

We welcome Hong Kong Exchanges and Clearing's (HKEx) Consultation Paper on the Review of the Corporate Governance Code, covering a range of important corporate governance issues, including board gender diversity, and addressing a number of our long term advocacy areas. We particularly welcome single gender boards will no longer be acceptable (with a 3-year transition period) and we want to make sure that it is a HARD requirement. We also appreciate that Companies are asked to set targets and timelines for gender diversity at board level and across the workforce. Those companies have to be accountable for those targets and timelines.

### **Question 15a**

**Do you agree with our proposed implementation dates for all proposals (except the proposals on Long Serving INED): the financial year commencing on or after 1 January 2022?**

Yes

**Please give reasons for your views.**

No comment

**Question 15b**

**Do you agree with our proposed implementation dates for proposals on Long Serving INED: the financial year commencing on or after 1 January 2023?**

Yes

**Please give reasons for your views.**

No comment